

ORDINANCE NO. 416

AN ORDINANCE **CREATING** A RETIREMENT SYSTEM
FOR CITY EMPLOYEES, **ESTABLISHING** A PENSION
FUND THEREFOR AND CREATING A PENSION BOARD

The City Council of the City of Lodi does ordain as follows:

Section 1. Retirement System Created. A Retirement System for the employees and officers of the City of Lodi is hereby adopted.

Section 2. Purpose. The purpose of this ordinance is to effect economy and efficiency in the public service by providing a means whereby employees who become superannuated may, without hardship or prejudice, be replaced by **more** capable employees, and to that-end providing a Retirement System.

Section 3. Definitions. The following words and phrases used **in** this ordinance, unless a different meaning is plainly indicated in the context, shall have the following meanings:

"Retirement System" or "System" shall mean the Lodi City Employees' Retirement System created herein.

"Employee" shall mean every person employed by the City of Lodi whose regular salary is paid **out** of funds directly controlled by or substantially administered or controlled by the City of Lodi exclusive of persons paid by the hour or day or employed seasonally.

"Member" shall mean any employee included in the membership of the Retirement System, and shall include every employee **who** has attained permanent status as differentiated from temporary and probationary status.

Department heads and salaried officials appointed by the City Council shall be regarded as permanent employees upon the completion of six (6) months of continuous paid service. Any official, a part of **whose** prior service was rendered in an elective office, except as City Councilman, shall receive full credit **for** such service in the same manner and as **if** **such** service had been rendered as an appointive official.

"Board" shall mean the **Pension** Board created herein.

"Calendar year" shall mean three hundred sixty-five days of service.

"Prior service" shall mean all service rendered as a permanent employee of the City of Lodi prior to the first day of July, 1950, expressed in calendar years and fractions to the nearest completed quarter-year.

"Current service" shall mean all service rendered as a permanent employee of the City of Lodi subsequent to the first day of July, 1950, expressed in calendar years and fractions to the nearest completed quarter-year.

"Pension" shall mean payments for life as derived from contributions made by a member, matching contributions by the City of Lodi and contributions made by the City of Lodi on behalf of prior service, together with appropriate interest, all as provided herein.

"Attained age" of each member, upon which his rate of contribution to the system is based, shall be his nearest attained age on the date of entry into the system.

"Retirement age" shall be the age attained at last birth date prior to retirement.

Section 4. Pension Board Created. A Pension Board is hereby created which shall consist of two (2) members elected by a majority vote of all members of the Retirement System, one (1) member who shall be the City Treasurer, one (1) member who shall be a member of the City Council, and one (1) lay-member who shall be a registered elector of the City of Lodi. Those members elected by the members of the Retirement System shall be elected for a term of two (2) years, beginning with the first day of July, 1950. The City Treasurer shall serve during his tenure of office. The member of the City Council shall be appointed by and shall serve at the pleasure of the City Council. The lay-member shall be elected by the other four (4) Board members, with the concurrence of the City Council, and shall serve for a term of two (2) years. The City Council may appoint such ex-officio members as are deemed necessary, which ex-officio members shall have no vote on the Pension Board and shall serve at the pleasure of the City Council.

Section 5. Authority and Responsibility of Board. The Pension Board herein established shall serve in an advisory capacity only. It shall have no power to incur indebtedness or otherwise to bind the City by its decisions, which shall be recommendatory to the City Manager who shall transmit such recommendations to the City Council; The duties of said Board shall be primarily, but not exclusively, to make recommendations as to the investment of Retirement System funds, the choice of mortality tables and interest rates credited to Pension monies, to conduct hearings on the claims of Retirement System members, and to recommend such changes in the Retirement System as may be considered advisable. Said Board shall submit in writing not less often than once each fiscal year to the City Council a financial statement on the status of the Pension Fund. Said Board shall have the authority to establish such rules and regulations as may be necessary to effectuate its purpose.

Section 6. Pension Fund Established. There is hereby created a Pension Fund, into which shall be paid all contributions made by members of the Retirement System and all contributions made on behalf of the Retirement System by the City of Lodi, together with such interest as said monies shall earn. All retirement benefits herein established shall be disbursed from the said Pension Fund, which shall be maintained separately from all other funds. No obligations except those primarily concerned with retirement benefits and the administration thereof shall be paid out of the said Pension Fund.

Section 7. Membership in System. Every employee having completed six (6) months of continuous, paid service on or subsequent to the first day of July, 1950, and who has attained permanent status under the Personnel Regulations of the City of Lodi, shall be a member of the Retirement System and subject to the provisions in this ordinance contained.

Section 8. Computation of Pension. Every member of the Retirement System shall be entitled to a monthly pension based upon length of service and average monthly salary obtaining in the five (5) years next preceding retirement. Such pension shall be equal to one and two-tenths per cent (1.2%) of the average salary paid for the five (5) years next preceding retirement for each calendar year of service subsequent to the first day of July, 1950. In addition, each member, except members otherwise covered under Sections 11 and 13 hereof, shall be entitled to a monthly pension equal to three-quarters of one per cent (3/4%) of the salary payable for the month of June, 1950, for each calendar year of service prior to the first day of July, 1950, which additional pension shall be paid wholly from City funds.

Section 9. Rates of Contribution. Every employee of the City of Lodi meeting the requirements of Section 7 hereof, on and after the first day of July, 1950, shall become a member of the Retirement System. Each member shall pay as a percentage of his gross monthly salary, exclusive of overtime, as the same shall be determined by the City Finance Director, the following percentages according to age and sex:

<u>Age</u>	<u>Male</u>	<u>Female</u>
20	3.75	4.75
21	3.80	4.80
22	3.85	4.85
23	3.90	4.90
24	3.95	4.95
25	4.00	5.00
26	4.05	5.05
27	4.10	5.10
28	4.15	5.15
29	4.20	5.20
30	4.25	5.25
31	4.30	5.30
32	4.35	5.35
33	4.40	5.40

<u>Age</u>	<u>Male</u>	<u>Female</u>
34	4.45	5.45
35	4.50	5.50
36	4.55	5.55
37	4.60	5.60
38	4.65	5.65
39	4.70	5.70
40	4.75	5.75
41	4.80	5.80
42	4.85	5.85
43	4.90	5.90
44	4.95	5.95
45	5.00	6.00
46	5.05	6.05
47	5.10	6.10
48	5.15	6.15
49	5.20	6.20
50	5.25	6.25
51	5.30	6.30
52	5.35	6.35
53	5.40	6.40
54	5.45	6.45
55	5.50	6.50
56	5.55	6.55
57	5.60	6.60
58	5.65	6.65
59	5.70	6.70
60	5.75	6.75
61	5.80	6.80
62	5.85	6.85
63	5.90	6.90
64	5.95	6.95
65	6.00	7.00
66	6.05	7.05
67	6.10	7.10
68	6.15	7.15
69	6.20	7.20
70	6.25	7.25
71	6.30	7.30
72	6.35	7.35
73	6.40	7.40
74	6.45	7.45
75	6.50	7.50
76	6.55	7.55
77	6.60	7.60
78	6.65	7.65
79	6.70	7.70
80	6.75	7.75
81	6.80	7.80
82	6.85	7.85
83	6.90	7.90
84	6.95	7.95
85	7.00	8.00

Said contribution shall be deducted from the gross salary, exclusive of overtime, of each member prior to the disbursement of salaries and wages to the several members, and shall be paid immediately into the Pension Fund. Records **will** be so maintained **for** each member that the total amount of member contributions and the total amount of City contributions may be determined at any time. Interest earned shall be similarly recorded.

Section 10. Matching Funds - Current Service. The total amount of member contributions to the Pension Fund shall be determined and the aggregate monthly increment shall be matched, dollar for dollar, from other City funds and the matching funds deposited in the Pension Fund immediately.

Section 11. Retirement at Age 70. Those members who shall have attained the age of sixty (60) years prior to the first day of July, 1950, may exercise the option of remaining in service until age seventy (70) unless sooner retired on recommendation of the Pension Board. In addition to such pension for current service, as prescribed in Section 8 hereof, which each such member may have earned by age seventy (70) or earlier retirement, each such member, except part-time employees, shall receive a pension equal to three dollars (\$3.00) per month for each calendar year **of** service performed prior to the first day of July, 1950, said pension to be financed wholly out of prior service funds.

Section 12. Retirement at Age 65. The age of sixty-five (65) years shall be the normal retirement age. Members who shall not have attained the age of sixty (60) years prior to the first day of July, 1950, shall retire on the first day of the month next succeeding the month in which they attain the age of sixty-five (65), unless the earlier retirement age and lesser pension as provided in Section 13 is elected.

In an unusual case involving the good of the City service, a member may be permitted to remain on active duty beyond age sixty-five (65), but in no event beyond the first day of the month next succeeding the month in which he attains the age of seventy (70). In each such case, the Department Head of the member involved shall submit in writing to the City Manager a statement of facts, setting forth the reasons why the good of the City service requires retention of said member beyond the normal retirement age, which statement of facts shall be submitted at least six (6) months prior to the attainment of said member of age sixty-five (65). The City Manager **shall** assess said statement of facts and shall transmit **it**, together with his written comments and **recommenda-**tions, to the Pension Board within sixty (60) days prior to the attainment of said member of age sixty-five (65). The Pension Board shall hold a hearing thereon and shall transmit all pertinent data, including the **recommenda-**tions of said Board, to the City Council not later than thirty (30) days prior to the attainment by the said member of age sixty-five (65). The City Council may hold additional hearings or gather such additional information as **it** may deem pertinent, and shall rule on the case, which ruling shall be final and conclusive.

Section 13. Optional Retirement at Age 60. Any member may at his option retire at any age after attainment of age sixty (60) years and prior to attainment of age sixty-five (65). In each such case, the monthly pension payable shall first be computed, both as to prior service and future service, as if said member had attained the age of sixty-five (65) years. The sum thus obtained shall then be reduced in accordance with the following table:

<u>Age</u>	<u>Reduce to:</u>
60	75%
61	80%
62	85%
63	90%
64	95%

Section 14. Refund of Member Contributions. Each member who dies, resigns, is discharged or otherwise terminates his membership in the retirement system prior to retirement age, shall have refunded to him the total amount of money contributed by him to the system, plus such interest as shall have been credited to his account to and including the date of death, resignation, discharge or other termination.

Section 15. Death Benefit. Upon the death of any retired member, there shall be paid to his designated beneficiary in one lump sum the accumulated contributions of said member, together with such interest as may have been credited to his account up to and including the date of his death, less one-half (1/2) the accumulated total of such current service pension payments which may have been made to said member,

Section 16. Moratorium. No member of the retirement system shall be eligible for retirement or pension benefits until the first day of January, 1951, and no member retiring from or otherwise leaving the City service prior to that date shall receive any benefits under this ordinance other than those pertaining to the refunding of member contributions.

Section 17. Appropriations by City - Limitation. The City Council shall make such appropriations as may be necessary from City funds for deposit in the Pension Fund, except that no pension levy against property which is or may be authorized by State law in addition to the statutory limitation of one dollar (\$1.00) for General Fund purposes, shall be made without submission of the proposal to the electorate in a referendum election.

Section 18. Prior Service Payments. The City Council shall determine from time to time the amount necessary to finance the requirements of prior service and shall by resolution fix the amount to be paid annually into the Pension Fund on account of prior service. A new resolution shall be passed when it appears to the City Council that the requirements of prior service have changed. Said amounts shall be so fixed that all prior service obligations are liquidated

in not more than twenty (20) years ~~from~~ the first day of July, 1950, and that each such amount shall bear a reasonable relationship to the remaining liability with due regard for the number of remaining years in said twenty (20) year period.

Section 19. Actuarial Surveys. The City Council, not less often than once each four (4) years, shall employ the services of a competent actuary, who shall examine the Pension Fund and investigate the mortality, service and compensation experience of the members and beneficiaries of the system. Each such report shall contain actuarial recommendations as to the rates of contribution, benefits, reserves and other matters appertaining to the present and projected soundness of the system. Such reports shall be transmitted to the City Manager for study and consultation with the Board. In accordance with the information contained therein, the Board shall make such comments and recommendations as may be deemed pertinent, with particular reference to amendments to this ordinance and to the stability of the Pension Fund.

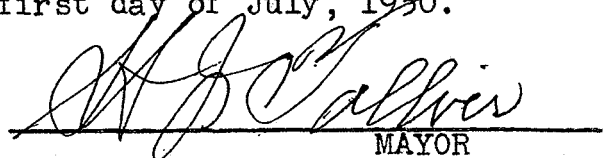
Section 20. Amendment - Limitations. This ordinance may be amended from time to time, except that changes affecting the rates of contribution by employees, the principle of matching contributions by the City for current service, the normal, optional or compulsory age of retirement or the formulae for computing pension benefits, shall not be adopted except by a four-fifths ($\frac{4}{5}$) vote of the City Council after an election by system members on such proposal or proposals. Any such action by the City Council shall have been presented at not fewer than three (3) successive meetings of the City Council before final approval may be given.

Section 21. Effect of Social Security. It is expressly understood that the Retirement System herein established may be modified, abolished or otherwise coordinated with any program of benefits which may become available to the employees of this City under the provisions of the Federal Social Security Act or similar Federal or State legislation.

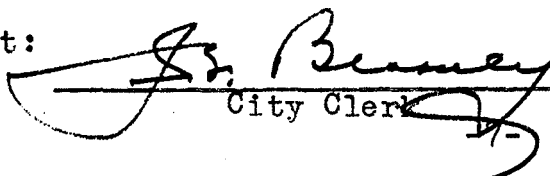
Section 22. Severability. If any section, subsection, sentence, clause, phrase or portion of this ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance. The City Council of the City of Lodi hereby declares that it would have adopted this ordinance and each section, subsection, sentence, clause, phrase or portion thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases or portions be declared invalid or unconstitutional.

Section 23. Effective Date. This ordinance shall be in full force and effect on and after the first day of July, 1950.

Approved May 17, 1950.


MAYOR

Attest:


City Clerk

STATE OF CALIFORNIA,
COUNTY OF SAN JOAQUIN,
CITY OF LODI,

ss

I, J. F. BLAKXLY, City Clerk of the City of Lodi do hereby certify that the foregoing Ordinance No. 416 was introduced at a **regular** meeting of the City Council of said City held May 3, 1950 and was thereafter, in the 17th day of May, 1950, passed, adopted and ordered to print by said City Council by the following vote:

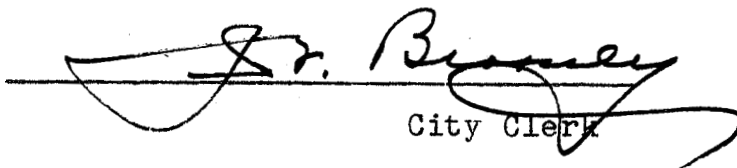
AYES: Councilmen, RINN, BULL, HASKELL, PRESZLER AND TOLLIVER

and _____

NOES: Councilmen, NONE

ABSENT : Councilmen, NONE

I further certify that Ordinance No. 416 was approved and signed by the Mayor on the date of its final passage and that the same has been published as required by law.


City Clerk

Dated: MAY 26, 1950